## REMARKS

Docket No.: 4468-024

Reconsideration and allowance of the subject application in view of the foregoing amendments and the following remarks is respectfully requested.

Claims 1-40 remain pending in this application.

Claims 1-40 are rejected under 35 USC 102(e) as being anticipated by <u>Deguchi et al.</u> (U.S. Patent No. 6,480,202. In response, independent claims 1, 2, 12, 13, 15, 24 and 34 have been amended and are believed to be patentable over <u>Deguchi et al.</u> for the reasons discussed below.

<u>Deguchi et al.</u> discloses that the curve <u>a</u> (tone reproduction characteristic in a dark surround) takes the same value as the curve <u>b</u> (tone reproduction characteristic in an illuminated surround) at a maximum input tone 1 of input image data (see Figure 11B). However, according to amended claims 1 and 2, the tone reproduction characteristic in a dark surround is shifted in parallel so that the tone reproduction characteristic in a dark surround takes the same value as the tone reproduction characteristic in an illuminated surround at a middle input tone Do of input image data.

According to amended claim 4, Do is  $0.25 \le Do \le 0.50$  (see page 19, lines 12-15).

According to amended claims 1, 2 and 4, it is possible to make such a correction as sharpness is most emphasized with little change in the entire brightness of projected image as compared with that before correction (see page 19, lines 12-15).

In view of the claim amendments and the arguments provided above, it is respectfully requested that independent claims 1, 2, 12, 13, 15, 24 and 34 are patentable over <u>Deguchi et al.</u> and the anticipation rejection should be withdrawn. Dependent claims 4, 16, 26 and 36 recite additional important limitations and should be patentable along with the independent claims as well as on their own merits.

All objections and rejections having been addressed, it is respectfully submitted that the present application should be in condition for allowance and a Notice to that effect is earnestly solicited.

To the extent necessary, a petition for an extension of time under 37 C.F.R. 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 07-1337 and please credit any excess fees to such deposit account.

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Respectfully submitted,

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